UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 111th Congress ¹

[Date approved: May 3, 2020]²

Bill No. and sponsor: S. 2371 (Mr. George V. Voinovich of Ohio).

Proponent name,³ location: Jo-Ann Stores, Inc., Hudson, OH.

Other bills on product (111th Congress only): S. 2082, S. 2083, S. 2084, S. 2370, S. 2372, S. 2465, S. 2466, S. 2599, and S. 2600.

Nature of bill: Temporary duty suspension through December 31, 2011.⁴

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Artificial flowers of man-made fibers assembled as picks (provided for in subheading 6702.90.35).

| Check one: | X | Same as that in bill as introduced. |
|------------|---|---|
| | | Different from that in bill as introduced (see Technical comments section). |

Product information, including uses/applications and source(s) of imports:

The subject products are floral picks assembled from artificial flowers of man-made fibers. These are usually a flower or several flowers without the stem and little, if any foliage. The flowers are attached to a hard plastic or metal shaft that can easily be pushed into floral design foam or other supporting material. Floral picks frequently have half or more of their length being the narrow stem with overall length being approximately 12 inches. The source of U.S. imports of these products is China.

Industry analyst preparing report: Dennis Fravel (202-205-3404); Tariff Affairs contact: Dan Shepherdson (202-205-2598).

² Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff affairs/congress reports/.

³ The sponsor/proponent identified 17 additional beneficiaries of this bill. USITC staff sent inquiries to the additional beneficiaries of this bill and received responses from four indicating that they would benefit from this bill.

⁴ This bill would create a temporary duty suspension for products that likely were covered by the temporary duty suspension on artificial flowers of man-made fibers under HTS 9902.25.65.10 that expired on December 31, 2009.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 6702.90.35:

| \searrow | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|-----------|-----------|-----------|-----------|-----------|
| Col. 1-General rate of duty | 9% | 9% | 9% | 9% | 9% |
| Estimated value dutiable imports ^a | \$500,000 | \$500,000 | \$500,000 | \$500,000 | \$500,000 |
| Customs revenue loss b | \$45,000 | \$45,000 | \$45,000 | \$45,000 | \$45,000 |

<u>a</u>/ Dutiable import estimates were based on official U.S. Government statistics, industry information, and Commission estimates.

Contacts with domestic firms/organizations (including the proponent):

| Name of firm/organization | Date contacted | Claim US makes same or competing | Submission attached? | Opposition noted? |
|---------------------------------------|----------------|--|----------------------|-------------------|
| | | product(s)? | | |
| | | | (Yes/No) | |
| Jo-Ann Stores, Inc. (Proponent) | 12/01/2009 | No | No | No |
| Bob Icsman, 330-463-3409 | | | | |
| A.C. Moore, Inc. | 12/02/2009 | No | No | No |
| Bob Senft, 856-768-4949 | | | | |
| Aldik | 12/02/2009 | No | No | No |
| Zury Segal, 800-442-5345 | | | | |
| Caffco International (CCC Associates) | 12/02/2009 | No | No | No |
| Lamar Thompson, 334-272-2140 | | | | |
| Dollar General Corp. | 01/04/2010 | No | No | No |
| Rob Stephenson, 615-855-5169 | | | | |
| Dollar Tree Stores, Inc. | 12/02/2009 | No | No | No |
| Robert H. Rudman, 757-321-5000 | | | | |
| Family Dollar Stores, Inc. | 01/04/2010 | No | No | No |
| Debbie Cline, 704-847-6961 | | | | |
| Hobby Lobby Stores, Inc. | 12/02/2009 | No | No | No |
| John Graham, 405-745-1752 | | | | |
| Michaels Stores, Inc. | 12/01/2009 | No | No | No |
| Michael Veitenheimer, 972-409-1655 | | | | |
| Edward Krenik, 202-828-5877 | | | | |
| National Retail Federation | 12/04/2009 | No | No | No |
| Erik Autor, 202-626-8104 | | | | |
| Pier 1 Imports, Inc. | 01/04/2010 | No | No | No |
| Ruby Sevcik, 817-252-6051 | | | | |

 $[\]underline{b}$ / At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ.

| Name of firm/organization | Date contacted | Claim US makes same | Submission attached? | Opposition noted? |
|---|----------------|--------------------------|----------------------|-------------------|
| | | or competing product(s)? | | 1000 |
| | | | (Yes/No) | |
| Raz Imports, Inc. | 12/02/2009 | No | No | No |
| Tammy Greene, 800-443-3540 | | | | |
| Retail Industry Leaders Association | 12/02/2009 | No | No | No |
| Stephanie Lester, 703-841-2300 | | | | |
| Sears Holdings Corp. (Kmart is a wholly owned | 01/04/2010 | No | No | No |
| subsidiary) | | | | |
| Brad Shorser, 847-286-2757 | | | | |
| Sierra Pacific Crafts | 12/02/2009 | No | No | No |
| Heather Corvey, 503-685-6161 | | | | |
| Target Corp. | 12/03/2009 | No | No | No |
| Susan Flack, 202-863-7265 | | | | |
| Marguerite Trossevin, 202-251-6170 | | | | |
| Teters Floral Products, Inc. | 12/02/2009 | No | No | No |
| Rick Looker, 800-999-5996 | | | | |
| Tuesday Morning | 12/02/2009 | No | No | No |
| Nina Kerchof, 972-387-3562 | | | | |
| Wal-Mart Stores, Inc. | 01/04/2010 | No | No | No |
| Sarah Thorn, 202-434-0714 | | | | |
| Windward | 12/02/2009 | No | No | No |
| Renee Cozzette, 800-888-8898 | | | | |

| _ | • | | | | | | | - 5 |
|-----|-----|------|-----|----|---|----|----|-----|
| 1.6 | chr | nica | I C | nm | m | en | ts | • - |

None.

The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.



111TH CONGRESS 1ST SESSION

S. 2371

To suspend temporarily the duty on artificial flowers of man-made fibers assembled as picks.

IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 2009

Mr. Voinovich introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To suspend temporarily the duty on artificial flowers of manmade fibers assembled as picks.

| 1 | B | e it enacted by th | ne Sena | te and H | Touse of . | Represen | ta- | |
|---|--|---|------------|-----------|------------|-------------------------|------|--|
| 2 | tives o | the United State | es of Am | erica in | Congress | s assembl | led, | |
| 3 | SECTION | ON 1. ARTIFICIAI | LFLOW | ERS OF | MAN-MA | DE FIBE | RS | |
| 4 | | ASSEMBLE | ED AS P | CKS. | | | | |
| 5 | (8 | a) In General. | —Subcl | napter I | I of cha | apter 99 | of | |
| 6 | the H | armonized Tariff | Sched | ule of th | e Unite | d States | is | |
| 7 | amended by inserting in numerical sequence the following | | | | | | | |
| 8 | new he | eading: | | | | | | |
| | " 9902.0 | 1.00 Artificial flowers of man- made fibers assembled as picks (provided for in sub- heading 6702.90.35) | I | No change | No change | On or before 12/31/2011 | ,,, | |

- 1 (b) Effective Date.—The amendment made by
- 2 subsection (a) applies to goods entered, or withdrawn from
- 3 warehouse for consumption, on or after the 15th day after

4 the date of the enactment of this Act.

 \bigcirc